(c) what penalties RBI have imposed on the erring banks for non-achievement of the targets?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) Reserve Bank of India (RBI) has reported that it has not yet revised its policies on lending to Priority Sector by domestic scheduled commercial banks.

The existing guidelines of the RBI stipulate a target of 40% of Net Bank Credit (NBC) for lending to the priority sector by domestic scheduled commercial banks both in the public & private sector. Within this, sub-targets of 18% and 10% of NBC have been stipulated for lending to agriculture and weaker sections, respectively.

Two public sector banks and ten private sector banks did not achieve overall target of 40% of their NBC for lending to priority sector as stipulated in the existing guidelines as on March 31, 2006.

Public and Private Sector Banks, which fail to achieve the priority sector and/or agriculture lending targets, are required to deposit into Rural Infrastructure Development Fund (RIDF) such amounts as may be allocated to them by the RBI. As a measure of disincentive for non-achievement of priority sector and/or agriculture lending targets, the rate of interest on deposits made by the contributing banks in RIDF has been lowered and is paid in inverse proportion to the extent of shortfall in the agriculture lending *vis-si-vis* the stipulated target of 18%.

Effect of aids virus on economy

1538. SHRIMATI SYEDA ANWARA TAIMUR:
SHRI VIJAY J.DARDA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the National Council of Applied Economic research (NCAER) has projected as to how the HIV virus affects the Indian Economy as household income falls by around 10 per cent, basing this on the current disease prevalence in India;

(b) if so, how this situation is to be avoided; and

(c) whether some Industries or Policy Groups are engaged in scientifically mapping the impact of AIDS and HIV and developing prevention care-treatment schemes to tackle this disease?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) On the basis of a sample survey of 2068 HIV and AIDS affected households from six high prevalence States in India, the National Council of Applied Economic Research (NCAER) has estimated that the loss of income of the affected households, as a consequence of leave/absence from work, was of the order of 9.24 per cent. NCAER has informed that the loss of income can be reduced by improving the ability of the affected individuals, through proper care, treatment and education, to carry on their daily activities.

(c) Based on these findings, policies to extend psycho-social and economic support are being framed. An international NGO named HIV Alliance was also recommended by National AIDS Control Organisation to obtain **a** grant of USD 14 million from the Global Fund under Round VI for taking up impact mitigation measures among HIV infected widows, single-women households and children which included psycho-social counselling, access to nutrition, income generating activities, education and medical care.

Prevention care treatment schemes are developed based on evidence at the National AIDS Control Organisation by technical experts.

Tie-up of Banks with Tractor manufacturers

1539. SHRIMATI PREMA CARIAPPA:
SHRI MAHENDRA MOHAN:

Will the Minister of FINANCE be pleased to state:

(a) whether the RBI has issued any necessary instruction to Public Sector Banks to enter in some kind of understanding or tie up with the manufacturers of tractors or agricultural equipments to help out the farmers in technological upgradation in carrying out agricultural activities;

(b) if so, the details in this regard; and

(c) how many farmers have been benefited under this scheme and what